



County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

February 22, 2010

To: Supervisor Gloria Molina, Chair
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

OFF-PEAK DELIVERY POLICY SURVEY RESULTS (AUGUST 29, 2006 BOARD AGENDA, ITEM NO. 20) – STATUS REPORT

On August 29, 2006, your Board approved the Off-Peak Delivery of Commodities Board Policy (Policy) to encourage the curtailment of delivery activities at County facilities during early morning and late-afternoon hours as a means of reducing congestion and vehicular emissions during these peak commute periods. The focus of the Policy is trips generated in the delivery of commodities. On December 14, 2006, our Office provided notice to all departments regarding the Policy and we advised departments to immediately implement the Policy in their solicitation and contracting processes. At that time, we indicated that our Office would survey departments to evaluate the effectiveness and to monitor compliance with the Policy.

Since the Policy was implemented, we have annually surveyed departments regarding Policy compliance and reported back to your Board with our results indicating departments have implemented the Policy accordingly. The vast majority of our vendors continue to be receptive and have not requested exemption from the Policy.

2009 Survey Results

Via our November 10, 2009 memorandum, we instructed departments to complete the annual Off-Peak Delivery Policy Survey (Survey). Based on the results of the Survey, we have determined the following:

- *All departments have implemented the Policy, as applicable;*
- *As previously reported, both the Internal Services Department (ISD) and Auditor-Controller Shared Services provide purchasing and delivery services to multiple departments. Both of these departments have implemented the Policy, ensuring compliance for their client departments;*

"To Enrich Lives Through Effective And Caring Service"

**Please Conserve Paper – This Document and Copies are Two-Sided
Intra-County Correspondence Sent Electronically Only**

- *Departments report that large, independent delivery companies, such as UPS and FedEx have been made aware of the Policy and are generally compliant with a few exceptions due to documented business reasons;*
- *Departments that are co-located at facilities being served by the same vendor have coordinated planned deliveries as instructed;*
- *Our vendors continue to be receptive to the Policy as evidenced by the few exemption requests; and*
- *In general, most departments have experienced a significant reduction in peak period deliveries as anticipated with the establishment of the Policy, with some departments reporting that all of their deliveries now occur in off-peak hours:*
 - *Animal Care and Control – 90 percent of deliveries are during off-peak hours;*
 - *Auditor-Controller – 100 percent of deliveries are during off-peak hours; and*
 - *Children and Family Services – 100 percent of deliveries are during off-peak hours.*
- *While departments' methods of record keeping varies, these are some of the most significant reductions:*
 - *Parks and Recreation had an 85 percent reduction of deliveries during peak hours; and*
 - *County Counsel had a 98 percent reduction of deliveries during peak hours.*

Policy Exemption Request

As we advised your Board last year, in December 2008, the Department of Public Health (DPH) was granted an exemption from the Policy for one of its vendors, Office Max (OM), for the purchase and delivery of commodities in support of its centralized warehouse operation. Specifically, the Department implemented the Just-In-Time (JIT) process of its Supply Chain Management System. In order for JIT to work properly, vendors are required to make more deliveries while allowing organizations, such as DPH, to reduce their cost to warehouse commodities.

With respect to the savings in working hours and delivery costs, we continue to believe the exemption request is consistent with the intent of allowing certain exceptions to the Policy.

Department Suggestion

Several departments suggested the following improvement to the system:

When cost-effective, post signage at County facility loading docks with stated delivery hours unless prior approval has been obtained to deliver outside the hours of 9:00 and 3:30.

Conclusion

Based on the countywide adherence to the Policy and vendor cooperation, we feel it will no longer be necessary to require departments to submit an annual survey on Policy implementation. However, we will ask departments to implement the suggestions above, and annually remind departments via memo to ensure new vendors are aware of and complying with the policy.

If you have any questions or require additional information, please have your staff contact Ellen Sandt at (213) 974-1186 or esandt@ceo.lacounty.gov or James Hazlett at 213-974-1148 or jhazlett@ceo.lacounty.gov.

WTF:ES:MKZ
FC:JH:pg

c: All Department Heads